

Congress of the United States

House of Representatives

Room 2105, Capitol Senate Office Building

Washington, DC 20515

Telephone: Area Code (202) 775-8416

December 19, 1995

Ensure a Fair Deal for Rail Employees Who Lose Their Jobs in Mergers and Line Sales

Oppose the Conference Report on the ICC Termination Act

Dear Colleague:

The Conference Agreement on H.R. 2539, the ICC Termination Act, which is scheduled for floor action this week, should be rejected because it fails to provide the minimal protections for railroad employees that the House voted for when we passed our bill on November 14th.

The House-passed bill was a reasonable compromise which reduced the emphasis on labor protection (severance pay for rail employees who lose their jobs as a result of mergers) and increased the emphasis on collective bargaining. The Conference Agreement unfairly keeps all the concessions which labor made in the House-passed bill, while rejecting the one offsetting benefit which labor received.

In the House-passed bill, labor lost a wide range of labor protection -- on line sales to non-carriers, on line sales to Class III carriers, on line sales to Class II carriers, on mergers between Class III carriers, and on mergers between Class II and Class III carriers.

In return for all this, what did railroad employees ask? Railroad employees asked only for the right that every other American worker has -- to bargain collectively with their employers and have those collective bargaining contracts upheld in court.

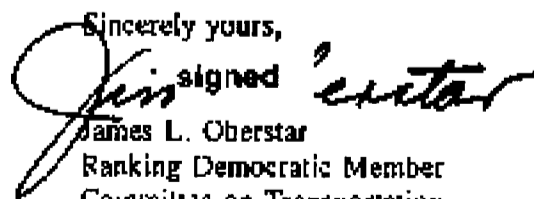
Under current law, railroad employees are allowed to sign contracts with their employers, but they're "funny" contracts. If the railroad decides to merge with another carrier, the railroad can go to the ICC and have the contract thrown out because it costs the railroad money. This provision in the Interstate Commerce Act is called the "cramdown" provision, because it crams the merger down the employee's throats.


In the House-passed bill, railroad employees asked for, and received, just one exception to this "cramdown" provision, in return for all the labor protection they were giving up. For mergers between Class II and Class III railroads, which are likely to become increasingly common over the next 10 years, railroad employees asked for and received language saying that a merger couldn't be used to avoid a collective bargaining agreement or to shift work from a union to a non-union carrier.

That seems like a small concession to ask for in return for all the labor protection rail employees gave up. But the Conference Agreement doesn't even give them that. Instead, it gives the carrier applying for the merger the choice of whether to protect collective bargaining agreements or throw them out. At the same time, the Conference Agreement keeps all of the House bill's cutbacks on labor protection.

In November, we urged you to support the compromise amendment on labor protection and 241 of you did, including 50 Republicans. The Conference Agreement scuttles the compromise, and thereby rejects the House position on labor protection. We urge you to oppose the Conference Agreement.

Sincerely yours,


James L. Oberstar
Ranking Democratic Member
Committee on Transportation
and Infrastructure


Robert E. Wise, Jr.
Ranking Democratic Member
Subcommittee on Railroads


William O. Lipinski
Member of Congress